

**WORK SESSION
OF THE BRIGHAM CITY COUNCIL
JANUARY 13, 2009
9:00 A.M.**

PRESENT:	Lou Ann Christensen	Mayor
	Bruce Christensen	Councilmember
	Scott Ericson	Councilmember
	Reese Jensen	Councilmember
	Ruth Jensen	Councilmember
	Bob Marabella	Councilmember
ALSO PRESENT:	Ben Boyce	Director of Parks and Recreation
	Jim Buchanan	EMS Director
	Mary Kate Christensen	City Recorder
	Blake Fonnesebeck	Public Work Director
	Nancy Green	Senior Center Director
	Jared Johnson	Community Development Director
	Paul Larsen	City Planner
	Bruce Leonard	City Administrator
	Tyler Pugsley	Public Works Assistant Director
	Jason Roberts	Finance Director
	Paul Tittensor	Chief of Police
	Cathy Wood	Cemetery Sexton
	Alan Wright	Director of Public Power
	Dennis Sheffield	Consultant

Rocky Mountain Power (RMP) Rate and Western Area Power (WAPA) Increase

Councilmember Reese Jensen explained that the City has received an increase from RMP as well as WAPA. He wanted to discuss whether the Council should pass the rate increases onto the residents or whether the City should absorb the increase.

Jason Roberts and Bruce Leonard came forward. Mr. Leonard explained that the City anticipated an increase from RMP, but the WAPA increase was unexpected. The WAPA increase was 6% of 22%. If the City absorbs these increases there will be problems in the future trying to keep up with maintenance and improvements of the system.

Mayor Christensen said in an earlier meeting Mr. Sheffield projected the City budget would be short by \$200,000; however, because of the \$206,000 the City received from the railroad for the 300 North Closure, it is now projected that the budget will be short only \$100,000.

Mr. Wright had figured that the RMP 2.8% increase would be an average increase for citizens of \$1.84/month, with the WAPA increase the average would be \$3.00 a month.

According to the projections for the rest of the 2008-09 budget, it is projected that electric revenue will be \$10 million versus what was budgeted of \$9.75 million. If nothing is done, it is projected electric revenue will be up \$250,000 more than what was budgeted.

Councilmember Reese Jensen suggested the City absorb half of the increase and pass the other half onto the residents.

MOTION: Councilmember Reese Jensen made a motion that the rate increases of 3.36% be split between the residents and the City. The City will absorb half of that increase and the other half will be passed onto the citizens effective at the beginning of the next billing cycle. Seconded by Councilmember Christensen. Councilmember Marabella added that the citizens need to be aware of this. It should be published in the February newsletter, a note added to the utility bills and an article in the paper. The motion carried with the following vote:

Councilmember Ericson - aye
Councilmember Marabella - aye
Councilmember Christensen - aye

Councilmember Ruth Jensen - aye
Councilmember Reese Jensen - aye

Recommendation from Personnel Committee on Alternative Work Schedule

Councilmember Reese Jensen, representing the Personnel Committee, gave a presentation on the history of this issue. This issue came before the Council when the Employee Coordination Committee requested the City look into an alternative work schedule (AWS). He explained that this is being brought back to the Council because unanticipated circumstances required a deviation from the original motion.

The input received from all the reports indicated that 41% of all the employees said they did not want any change; 40% said they wanted a 9/80 schedule; 7% said they wanted 4/10s; 12% said they wanted other. The Committee had an in-depth discussion on how Payroll can administer this. Diane Reichard, Payroll Clerk, attended some of the meetings and expressed her concerns. They had a lot of discussion about how to make this work while providing equality, accuracy and balance between employees' preferences and City needs without imposing added work or hardships on any departments or compromising customer service. The City's primary responsibility is to the residents, while at the same time considering employees' preferences. They contacted Layton City who had just recently changed their work schedule and they highly recommended that everyone go on one schedule. At that point, the Committee began to wonder if work schedules should remain the same because the economic conditions have changed since they began this process. Gas prices are down so it appeared the economic driver behind this no longer existed and the real driver shifted from a need to what the employees wanted, but the Council still wanted to consider what employees wanted to do. The Committee determined that if there was going to be one schedule, the most optimum schedule appeared to be the 9/80 schedule. They asked Mr. Leonard to ask each department if they could support the 9/80 schedule for a six-month trial period. Eight departments representing the majority of the employees were willing to try the 9/80 schedule. There were some departments that had unique requirements or have limited manpower which limited their ability to change work schedules. Therefore the Committee exempted the Library, Museum, Power Plant Operators and Patrol Officers. The work week would begin on Fridays at 12:00 p.m. regardless of what schedule they are on. Work days will begin at 7:00 a.m. and end at 5:00 p.m., although exceptions will be considered on a case-by-case basis. This will be for a trial period of six months at which time the Council will look at it again and determine if it is working.

MOTION: Councilmember Reese Jensen made a motion to approve the recommendation of the alternate work schedule as made by the Personnel Committee, seconded by Councilmember Christensen. In a discussion following the second, Councilmember Marabella said he thought every department was going to have the option to set their own hours. He had received phone calls from employees stating the 9/80 work schedule was being forced on them. He asked why the Committee deviated from the original motion that the Council agreed on that each department manager should be able to determine what was best for their department. He asked why the Council is asking the Electric Department to change schedules when they do not want to change schedules. Mr. Wright has explained to him that he does not want his linemen out in the dark on a light pole; he wants a balanced schedule. Councilmember Reese Jensen explained that after the Personnel Committee considered everything that was presented to them, which the Council had not considered because they were not aware of these issues, it was determined that there would be a lot of problems with each department working different schedules. Councilmember Christensen added that the criteria in Councilmember Reese Jensen's previous motion could not be met. Councilmember Marabella said departments already have their own schedule and payroll pays them that way.

Mayor Christensen asked Mr. Leonard and Diane Reichard, Payroll Clerk, to the table. Mr. Leonard stated that when the Council first started discussing this he asked the Council to have every department on the same schedule. It is easier to manage all departments if they are all on the same schedule. The Electric Department has great employees, but they have never been supportive of the City. If it benefits them they are for it, if it doesn't they have always been against it. His goal when he became City Administrator was to bring the Electric Department into the fold so we can work together. They were all reclassified which benefitted them. He would like to see them be a part of the City. He added that he contacted other cities

to find out what problems they had with AWS and Layton City advised him that multiple schedules would be very difficult to administrate and he did not recommend doing it. The City has a lot of good employees that are willing to try this to see if it is beneficial. The Electric Department is out in all kinds of weather. They are out in the middle of the night and they serve the public very well and are very reliable. They serve when the need arises, even if it is dark. He felt that there are employees in that department that are more than willing to try it; they have told him they are willing to. The Police Department works a different schedule and are on a different overtime basis. The Museum is not open on Monday so they are already working a different schedule. Ms. Hill told him with their hours of operation and only two full time employees, they would like to stay on their current schedule. Ms. Green from the Senior Center told him it would be somewhat of a hardship because they are short staffed, but she was willing to try it. Mr. Leonard stated that all the directors told him in staff meeting that they were willing to try it. Mr. Wright told him he did not agree with it but was willing to try it. The word has gone out that Mr. Leonard is the bad person and is shoving it down everyone's throat, but he is just looking out for the welfare of the City. He does not care whether the schedule changes or not because it does not matter to him. He added that the Council created the first problem when the decision was made not to consider 4-10s. If that had been the decision all employees would have enjoyed it and probably benefitted from it. Unfortunately, that was the decision that was made. He was asked by employees what another option was, and it was the 9/80 schedule. After that first meeting he talked with Ms. Reichard about managing different schedules and she was concerned. At the next meeting Mr. Sheffield asked the Council not to have multiple schedules, but after being asked several times he said he could probably make it work. Mr. Leonard said another thing they talked about was installing time clocks which would require every employee to punch a clock. It would probably save the City money over the long-term and it is probably something that should be done. He added that this issue has pitted departments against departments and has almost destroyed the work that has been done in bringing departments together to work as a team and move forward as a City, not as individual departments. He reminded the Council that this was brought forward by the employees and the Employee Coordination Committee and he was just trying to support those employees.

Ms. Reichard stated that she had talked to other cities that had different schedules and they had to put their employees on two different pay ending dates. This would be impossible with the City's current software. She worked through some of these problems and it came down to that it will work best if all departments are on the same schedule. She added that she has done some things to prepare for this if that is what the Council decides. Councilmember Marabella said there is software available to accommodate different schedules. Ms. Reichard said there is, but that would be an added cost.

Ms. Reichard stated that if all employees have the same pay ending date and if directors make sure timecards are correct, it can be done. She said the Police Department is the only department that has accurate timecards every time. Their cards are reviewed by three different people for accuracy and she never has to question them. She has to go through every other departments' timecards every pay period for accuracy. Councilmember Marabella said the City needs to move to a more current system with a bar coded time clock system that is sent electronically to Payroll and do away with timecards. Over time, it would pay for itself. Ms. Reichard said a time clock system is \$70,000 and updated software is \$30,000 and an additional \$30,000-\$40,000 for timekeeping software. This will be brought up during the budget process.

Councilmember Ericson said if the City is going to go to one schedule, all departments should go to one schedule, with the exception of the Police Department because they provide 24-hour service. He did not understand why there can be an exception for some, but cannot allow every department to choose what works best for them. If there are payroll issues it would be the same for the departments that have been excluded as well as the other departments. Councilmember Reese Jensen said the Personnel Committee also struggled with this. The only alternative they could see was to leave the schedules as they are because

he cannot see any benefit to the City to change the schedule, it is strictly to accommodate the preference of the employees. Ms. Reichard said Rick Bosworth has told her that studies have shown that alternate work schedules reduce absenteeism. Councilmember Marabella disagreed, stating that from his experience absenteeism actually went up over a period of five years.

Mr. Leonard said the Layton City Manager told him the 9/80 work schedule was an incentive for them to draw good employees. People came to Layton City because of the ability to work that schedule.

Ms. Reichard explained that one of the big issues with administering several different schedules is tracking holidays and leave time. If there is not a good system to track these it could be a big problem. However, she has put some things in place so that they could be tracked. Councilmember Ericson said if every department's timecards were reviewed by their administrative secretary a lot of these problems would go away, rather than leaving Ms. Reichard to work out all the problems. Mr. Roberts said departments need to be made accountable for accuracy on timecards whether schedules change or not.

RESTATED MOTION: Councilmember Reese Jensen restated his motion that all departments go on a 9/80 work schedule with the following exceptions: the Library, the Museum, Power Plant Operators and Patrol Officers. The work week will be on Friday at 12:00 p.m. Work days will begin at 7:00 a.m. and end at 5:00 p.m., with exceptions allowed on a case-by-case basis. The alternate work schedule will be on a trial basis for six months. The motion was seconded by Councilmember Christensen with the following vote:

- Councilmember Christensen - aye
- Councilmember Ericson - nay
- Councilmember Reese Jensen - aye
- Councilmember Ruth Jensen - nay
- Councilmember Marabella - nay

The motion failed with a 3-2 vote.

MOTION: Councilmember Marabella moved to keep the work schedule as currently in place. The motion failed for lack of a second.

MOTION: Councilmember Ericson made a motion that this go back to the original intent of the Council when the initial decision was made to have the supervisors make their recommendations as long as they can follow the six criteria as previously set by the Council, and that they can show it will not adversely impact Payroll and allow the departments to make their decision on how they will best serve the public. The motion was seconded by Councilmember Ruth Jensen. Councilmember Reese Jensen stated that the Personnel Committee considered this and as hard they tried, they could not determine that any of the recommendations met that criteria. They could not show whether or not there was a cost savings or not; they could not show whether there was going to be added cost or not. Councilmember Ericson stated that if they cannot meet the criteria they cannot change. If they can show that it is not going to cost the City any more money, if they can show that it is not going to impact Payroll, the Council should let them change. Councilmember Reese Jensen said that puts it back to Councilmember Marabella's motion because no one could demonstrate that. Councilmember Ericson felt that if the departments can go back and show that they have worked out some of the problems, they should be allowed to change. The Council should not micro manage departments. The City has good managers and they should be allowed to manage their departments without having to go through the Council. Councilmember Reese Jensen said he has always been an advocate of letting the directors manage their own departments. He asked who would make the decision whether the criteria has been met. Councilmember Christensen said Ms. Reichard should be involved in the approval process. Councilmember Marabella suggested a cover sheet be prepared and each of the criteria be signed off by Ms. Reichard and Mr. Leonard. Councilmember Christensen asked Ms. Reichard if she will be able to make these schedules work for each department

as they submit it with the City's current software. Ms. Reichard replied that if the pay period end date is changed to Friday at noon, she felt she could manage it. She explained that the first week the pay period changes each manager will have to work it out with their employees how they want to work out their hours to compensate for the four hours they will be short with the change. Employees could either use leave time or work extra hours Monday through Thursday to make up the four hours. If the transition is not done on a holiday week, the City will have to pay overtime.

RESTATED AND AMENDED MOTION: Councilmember Ericson restated his motion to allow departments to choose the schedule that best fits their needs, with the conditions that a form be developed that requires Ms. Reichard's signature to approve that the schedule works for Payroll, Mr. Roberts' signature that it is not a cost increase, and Mr. Leonard's signature indicating that he has reviewed it with the department director. Once these signatures have been acquired it will go to the Personnel Committee for acceptance. Mayor Christensen asked Mr. Leonard if he felt the Personnel Committee has already done that. Councilmember Ericson said this is not the same request they have already made, this would be another request that maybe they can come up with something that works better for Payroll or that it is not a cost increase. Ms. Reichard added that if even one department goes to a different schedule the pay period end date will have to change for everyone. Councilmember Ericson said nothing needs to be changed unless one of the departments come up with a schedule that meets the criteria. If that happens the pay period will have to end at noon on Friday City wide. Until that happens nothing needs to change. Councilmember Ericson asked if Payroll can do an 80-hour pay period. Ms. Reichard replied that municipal government, with the exception of sworn officers, cannot be on an 80-hour work schedule. They have to be on a 40-hour work schedule. Councilmember Ericson added to his motion that the pay period end Friday at noon. Councilmember Marabella seconded the amended motion. The motion unanimously carried.

Discussion on Economy and the FY08-09 Budget Projections

Councilmember Marabella suggested the Council set goals on what is a Phase I reduction, Phase II and Phase III. For example, when the budget is off \$100,000 Phase I would be implemented; Phase II could be \$250,000 behind; when it is \$500,000 Phase III would be implemented.

Councilmember Marabella felt that there should be some line items that are untouchable. He did not think training should be cut because it is bad for morale.

Councilmember Marabella suggested some areas to consider for reduction:

- ◆ Labor. Reduction of labor has the most impact long term. He did not think there needed to be a reduction in employees, but there are other ways to accomplish this. One is volunteer time off where employees could volunteer to take two hours off without pay. This would save a lot of money city-wide.
- ◆ Reduction in supplies. Guidelines should be set that anything over \$500, for example, has to go through a different level of justification. Rebid office supplies.
- ◆ Travel. Why are employees traveling? If it is training, it should not be eliminated, but if it is a conference it should be considered. If more than one person is going, only one person should go and come back and teach the rest of the department.
- ◆ Travel expense. There is no expense control on travel. Every City employee that travels receives the maximum amount allowed for breakfast, lunch, dinner and sundry. No receipts or justification is required. This would not happen in the private industry.
- ◆ Fuel. Employees can get reduce fuel by going to the mouth of the canyon, yet there are departments that don't want to do that.

Councilmember Marabella added that anything that is decided should go beyond June 2009. He also suggested that "extra" money, such as the \$206,000 from the railroad, not be used. It should be put in the bank and forget about it.

Councilmember Marabella had another obligation and was excused at 10:40 a.m.

Councilmember Reese Jensen said he felt that the purpose of this meeting was to bridge the gap between this year's budget and next year's budget, not to overhaul the budget. Anything more than that should be looked at during the next budget process. The Council agreed. Councilmember Christensen said he would like to make sure what areas are short, not just assume that because times are bad the City's budget must be short. He would like to make sure the projections are in order and what criteria was used for those projections. Mr. Roberts has projected that the total shortfall at June 30, 2009 will be less than \$25,000 in the General Fund unless something unexpected happens. This includes the \$206,000 from the railroad. Mr. Leonard said Mr. Fonnesbeck is going to ask the Council for approval to use that money to replace the bridge on 400 North which has been out of service. Councilmember Reese Jensen preferred that the railroad money not be used to balance the budget.

Councilmember Christensen said in the handout provided by Mr. Roberts the only increase in utility funds is in water and electric, but there are other utility funds that are projected to be in excess at the end of the year. He asked why these funds are not being considered to increase the General Fund. Mr. Roberts explained that the only fund that can be transferred is utility funds, not permits or other revenue. Mayor Christensen said an option is to increase the transfer. Mr. Sheffield said actual revenues are more than the project revenues, which creates an increase in the utility fund transfer of \$14,000 in water revenue and \$37,000 in electric revenue.

Mr. Roberts stated that he has projected that the General Fund will be short \$260,000, or 4.8%, at the end of the fiscal year. He recommended the projected shortfall be measured every month. The Council discussed cutting general fund budgets by 5%, with an increase to 7% if and when the shortfall increases another \$100,000. Councilmember Reese Jensen asked about the \$50,000 budgeted for the USU Innovation Center. That Center is not progressing and this has not yet been paid. He felt there is better use for this money. Mayor Christensen felt this is a valid point, but suggested discussing it with Andy Shinkle of USU first. Mr. Sheffield said this is in the RDA budget so it will not affect the General Fund.

Mr. Sheffield said he budgeted \$244,000 as an increase in fund balance in the current year's budget. The numbers discussed are taking actual expenditures and actual revenues, with a forecast of a \$260,000 shortfall.

Councilmember Ericson said there is an Administrative Assistant position for Economic Development that has not been filled and the GIS position that has been vacant for several months. These two vacant positions create more revenue in the budget.

After considering these two vacant positions and the \$244,000 increase in fund balance, the Council determined that only a 3% cut was needed. Capital projects that have already started should not be cut. Mr. Leonard will determine what projects should not be cut based on which projects have started. There should be no labor cuts.

MOTION: Councilmember Christensen made a motion to move forward with a 3% reduction in expenses to be accomplished in the General Fund, to be turned over to Mr. Leonard to administrate that in either a cut in expenditures or an increase in revenue and continue to review revenues and expenditures on a monthly basis and if further cuts are needed they will be done. The motion was seconded by Councilmember Reese Jensen, the motion carried.

The meeting adjourned at 11:38 a.m.